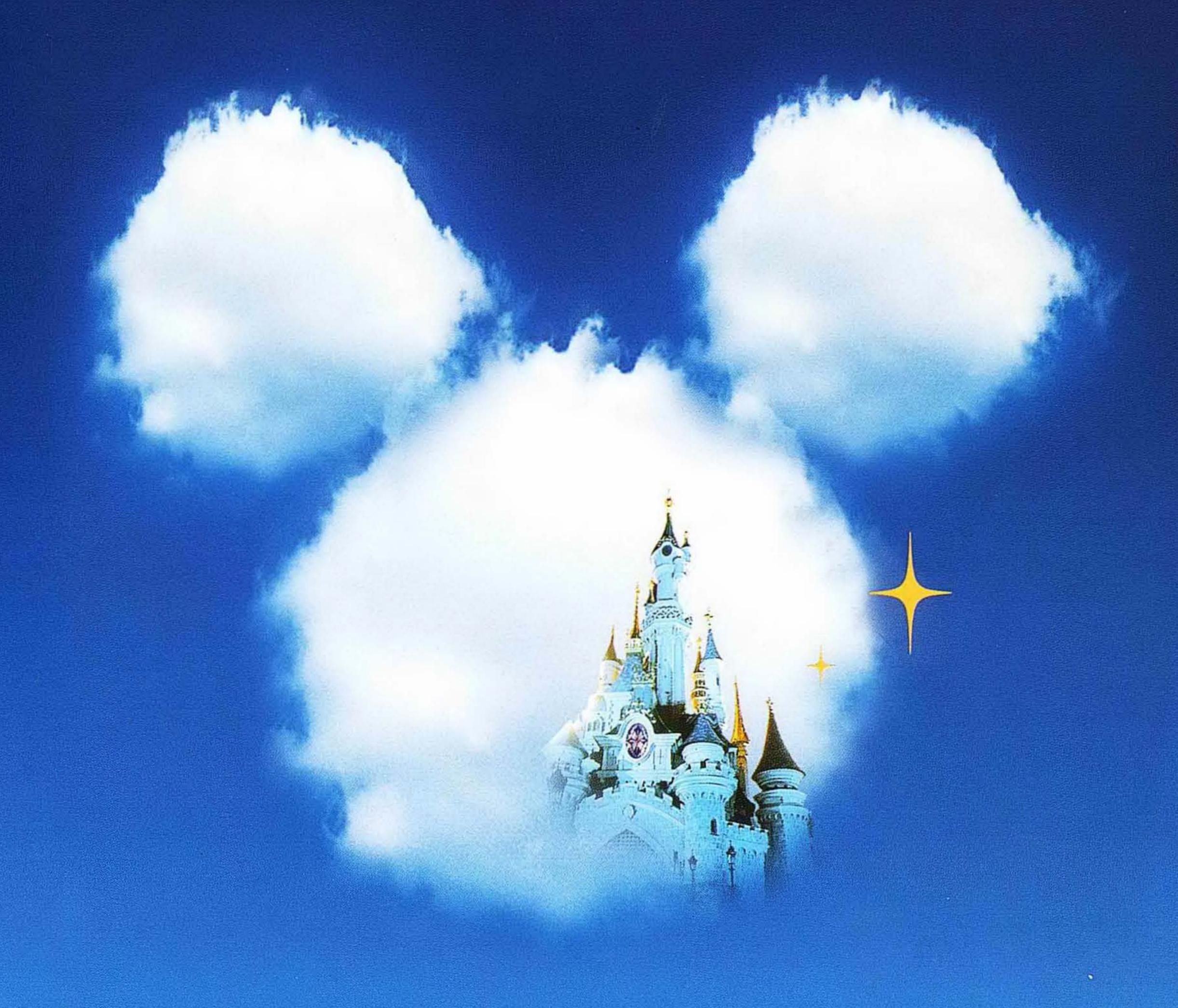
EURO DISNEY S.C.A. 1999 IN REVIEW



1999 ANNUAL REPORT

Looking forward to the future

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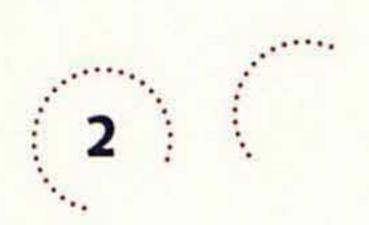
in Europe. 1999 was highlighted by the opening of our new attraction, Honey, I Shrunk the Audience!, in the Magic Kingdom, as well as the opening of the McDonald's® and Rainforest Café® restaurants, the Crescend'O production and the expansion of the Gaumont Multiplex in Disney® Village.

the dreams of the young and the young at heart into reality!

Euro Disney S.C.A. and its subsidiaries operate the Disneyland® Paris Resort which includes: the Magic Kingdom theme park, seven themed Hotels with 5,800 rooms, two Convention | Centres, the Disney® Village and a 27-hole golf facility. Located 32 kilometres from Paris, the Resort benefits from an exceptional infra structure and transportation network that makes it easily accessible from anywhere

were made of this

Disneyland® Paris confirmed its position in 1999 as the number one European tourist destination with 12.5 million guests and a record Hotel occupancy rate of 82.6 %. Concerning development projects, the Val d'Europe International Shopping Centre will open at the end of the year 2000 and Disney Studios, will welcome guests in the spring of the year 2002. With the celebration of the millennium, a new version of Indiana JonesTM and the Temple of Peril, the launch of The Tarzan Encounter show at the Chaparral Theatre, the implementation of an innovative new system to manage the waiting lines at our attractions and many other surprises, Disneyland® Paris will continue, throughout the year 2000, to turn



Dear Shareholder,



During fiscal year 1999, we launched the development of our second park, Disney Studios, which represents an historical step in the life of our company. In addition, this was also a year of expansion for the Resort with major developments, in particular at the Disney® Village.

Confirmation of our place as the number one European tourist destination

During fiscal year 1999, the Magic Kingdom welcomed 12.5 million guests. Our attendance, although stable remains at a high level, especially if we compare it with the other European leisure parks. Strong attendance registered in the second half, especially during the summer, helped to compensate the decrease we experienced in October 1998, following our decision to prolong the high season from September until the end of October. Equally important was the strong increase in Hotel occupancy rate, which this year has once again achieved a new record level of 82.6%. Since 1994, our Hotel occupancy rate has increased by more than 20 points.

Constant enrichment of the Disneyland® Paris offer

1999 has been a year of major developments for Disneyland Paris, starting with the launch of our new attraction in March, *Honey, I Shrunk the Audience!*. At the gates of the Magic Kingdom, Disney® Village benefited from several additions during the year as a result of the inauguration of the Marina, a newly developed area opening onto the Lake Disney. This year's new developments included the opening of two restaurants, McDonald's® and Rainforest Café®, a new show, Crescend'O, which combines the magic of the circus with aquatic ballet, and the expansion of the Gaumont Multiplex from seven to fifteen theatres.

Increasingly sophisticated marketing and sales policy

We are working very hard to capitalise on the exceptional infrastructure and transportation network available to our site, which makes Disneyland® Paris easily accessible from anywhere in Europe:

- Our promotions and advertising campaigns are increasingly being individually targeted to the differing tastes of the 10 largest European markets. This was the case for the launch of *Honey, I Shrunk the Audience!*.
- Fiscal year 1999 benefited from the implementation of Mozart, a new information system which consolidated our reservation systems and will allow us, in the future, to process reservations on the Internet.
- Finally, we reorganised our marketing teams by setting up, in addition to our existing European offices, a marketing office in France with personnel dedicated solely to the French market.

Disneyland Paris has a truly European dimension, and thus requires us to equip ourselves with an increasingly efficient sales and communication organisation.

Solid growth in our operating performance

For the 5th consecutive year, Disneyland Paris has experienced solid operating margin growth. Operating income before royalties, management fees, leases and net financial charges was FF 1,293 million in fiscal year 1999, representing a 12% increase over the prior year. This measure is an important indicator of our operating performance.

The improvement in our operating margin is primarily attributable to a 2.5% increase in revenues over 1998, which for fiscal year 1999 totalled FF 6,036 million. This increase was mainly generated by an increase in average spending per guest in the Magic Kingdom, and increased occupancy in our Hotels. We should note that the "business volume" generated on the site, including the activities in Disney® Village that are not directly operated by the Company (Gaumont Multiplex, Planet Hollywood®, Rainforest Café®, McDonald's®, Crescend'O…), represented FF 6,224 million of revenues and should continue to increase over the coming years as further developments are completed on the site.

The continued optimisation of our management of the Resort

Operating income growth also demonstrates our efficiency in controlling costs, and in particularly, procurement which was reengineered in 1996. Thus our operating and support costs were well controlled in 1999, resulting in additional margins. The growth in our operating margin more than compensated the planned increase in lease and net financial charges. However, 1999 was also the year in which, after five years of waiver, royalties and management fees began to be paid to The Walt Disney Company. Payment of the agreed royalties demonstrates our maturity as a company and enhances our corporate credibility. In return for these royalties, we benefit from access to the enormous existing library of Disney characters and, above all, to new productions, which will ensure the continued renewal of artistic themes of our attractions and shows. In this context, the level of our net income of FF 155 million, despite being lower than in 1998, was encouraging.

The year 2000 will be marked by special events and new developments

We have exciting plans for fiscal year 2000, beginning with our celebration of the millennium on December 31, 1999 and January 1, 2000. The event will be an opportunity for our guests to experience a unique celebration with three unprecedented parades, of which the brand new Disney's ImagiNations Parade featuring 11-meter-high floats, an emotional countdown to the millennium on December 31, an unforgettable 360° fireworks display that will encircle Disneyland. Paris, and on the 1st of January special events that will be dedicated to children. Our plans for fiscal year 2000 will not end with the millennium celebrations. In spring, Tarzan, the star of the latest Disney Classic, will be our guest of honour in an aerial and musical show, The Tarzan Encounter, at the Chaparral Theatre. In addition, one of our most popular attractions, Indiana Jones and the Temple of Peril, will undergo a full renovation that will provide our guests with the added option of experiencing this adventure backwards and, at the same time, will substantially increase its guest capacity per day. Finally, in Adventureland, we also expect to open two new developments: Pirates Beach, a playing area for children, and Agrabah Café, a new restaurant. In addition to these developments, spring will bring other changes for our guests. We plan to implement a new attraction reservation system called FastPass. With FastPass, guests will have the option of either standing in line if the waiting time is not too long, or taking a ticket to ride the attraction at a given time without having to wait. We will offer this new system, a real "revolution" in the world of leisure parks, at Peter Pan's Flight, Space Mountain and Indiana Jones TM and the Temple of Peril.

Val d'Europe becomes reality

Outside our principal tourist destination, the end of year 2000 will see the opening of the Val d'Europe International Shopping Centre, located just one RER station away from the Magic Kingdom, with a new approach to shopping in France, offering major brands at discount prices. This new business area and the new urban centre of Val d'Europe which are currently being developed, results from the co-operation between the Etablissement Public d'Aménagement, the Syndicat d'Agglomérations Nouvelles des Portes de la Brie and the local authorities, and will naturally simplify the daily life of families and inhabitants of the region, many of which are Cast Members.

The company's human wealth

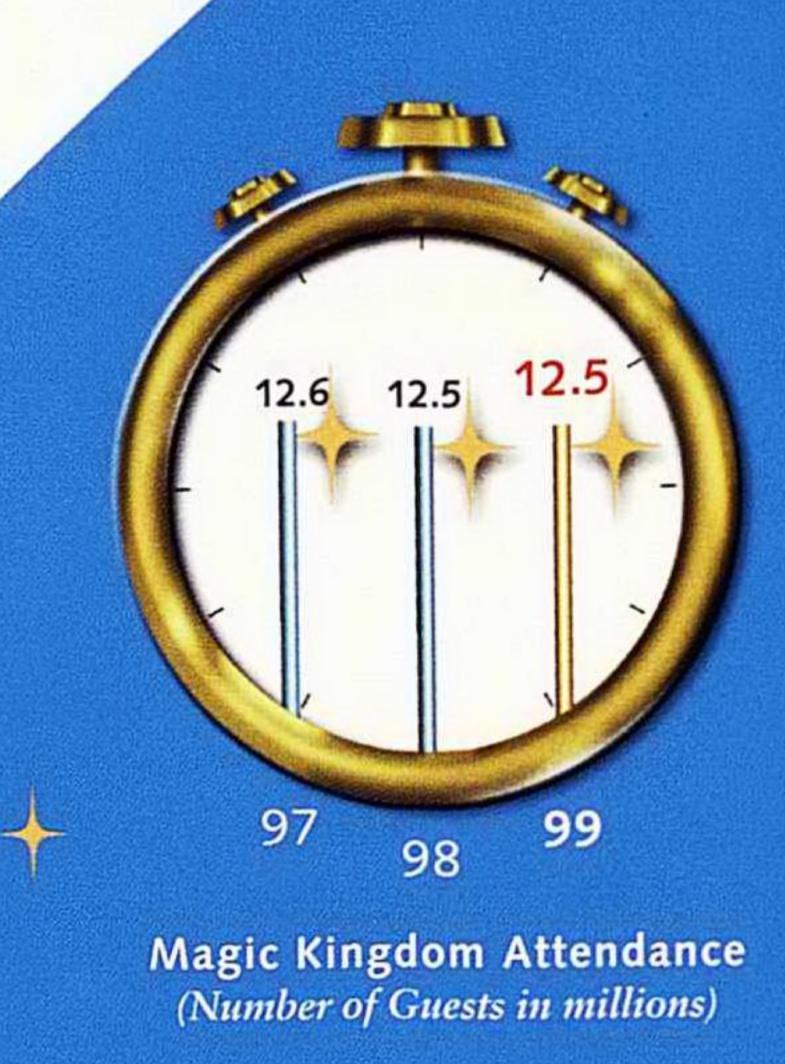
The commercial success of Disneyland Paris lies primarily on the quality of the service provided to our guests by our 10,600 cast members. Our high quality of service makes our Company a standard in Europe. That is why, in 1999, we organised more than 46,000 training days. In addition, the Destination 2002 program, an initiative to develop a set of corporate values to be shared by all Cast Members, is currently in process.

The major human resource development during fiscal year 1999 was the implementation of the 35-hour-workweek on June 6. Through a dynamic dialogue, six months of negotiations and 80 work meetings between Cast Members, employee representatives and management, we reached a balance between working conditions, the creation of jobs and the efficient management of our business. This agreement will lead to the creation of more than 600 jobs.

We are seriously focusing on the next millennium, with not only the evolution of our existing operations, but also the development of new businesses, including the opening of Disney Studios. I thank you for your confidence in the Company, which represents a strong support for our projects.

Gilles Pélisson Chairman and Chief Executive Officer

Key figures . Counting up



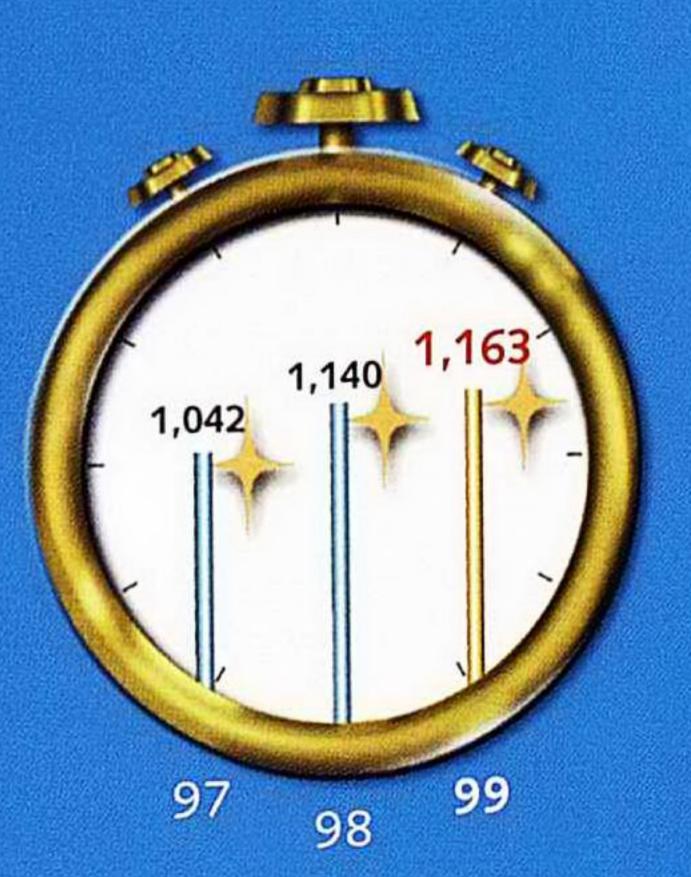


per Guest

(in FF, including VAT)

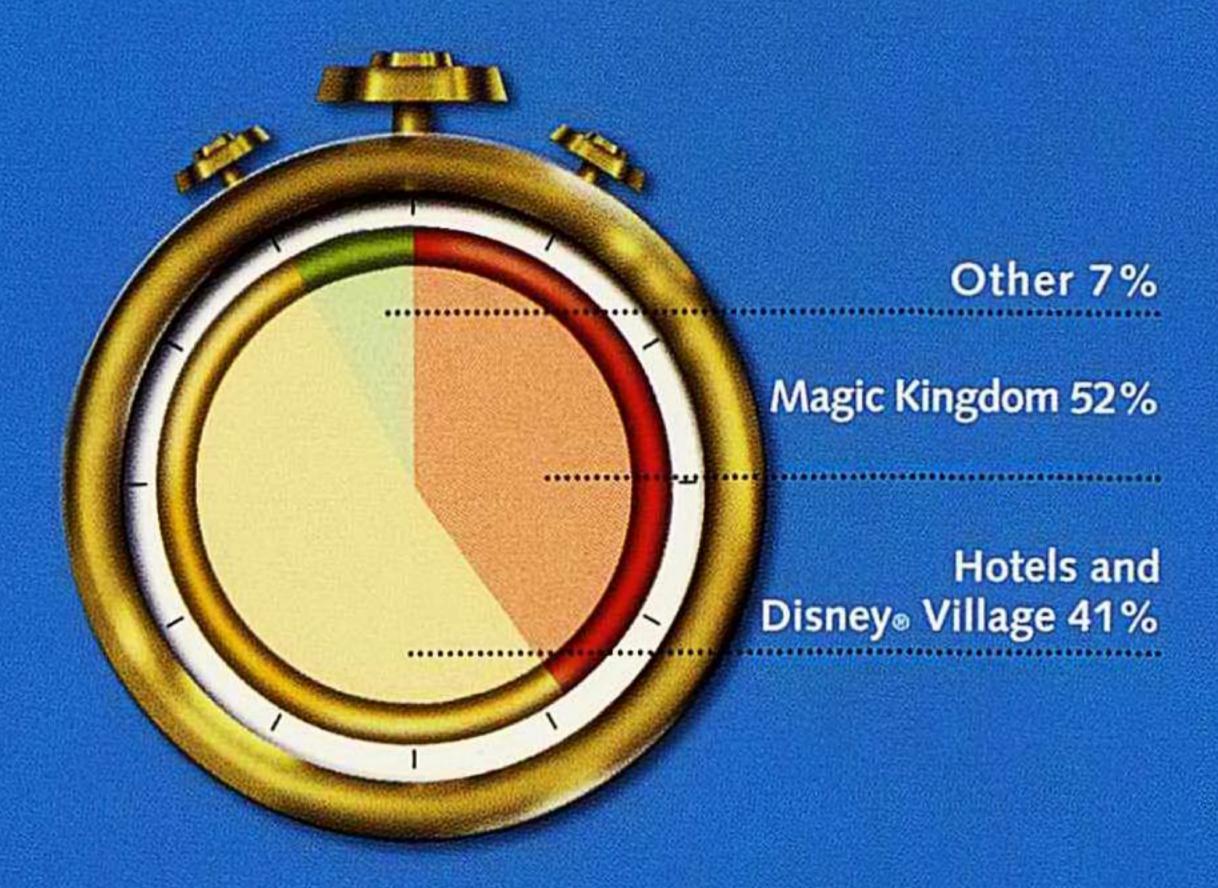


Hotel Occupancy



Average Spending per Room
(in FF, including VAT)

to the Millennium



1999 Breakdown of Revenues by Activity

Germany 11%	
Benelux 17%	
France 41%	
UK 15%	
Italy/Spain 7%	
Other 12%	

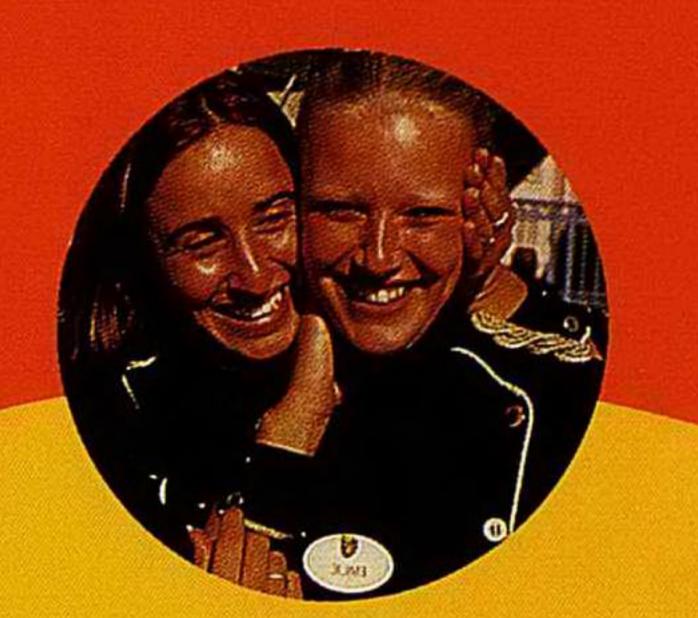
1999 Geographical Breakdown of Magic Kingdom Guests

Fiscal Year (In millions)	FF 1 9	999€	FF 1 S	998 €	FF 1 9	97
Disneyland. Paris Resort revenues	6,036	920.2	5,890	897.9	5,477	835.0
Income before royalties and management fees, lease and financial charges	1,293	197.1	1,158	176.5	880	134.2
Net income	155	23.6	290	44.2	217	33.1
Cash flows from operating activities	708	108.0	615	93.8	550	83.9
Total debt*	15,926	2,427.9	15,919		15,877	2,420.4
Shareholders'equity and ORAs	7,490	1,141.9	7,337	1,118.1	7,040	1,073.2

^{*}including debt of the unconsolidated financing companies and excluding the bonds redeemable in shares (ORAs)







Our 10,600 Cast Members, representing 50 different nationalities, are responsible for the high quality service and welcome expected by our guests. Each year, the entire team dedicates itself to make our guests' stay more pleasant. We encourage our Cast Members, who practice 500 different professions, to reinforce and improve their skills on a regular basis. With this objective, we set up a program called *Destination 2002*, an initiative to develop the skills of our Cast Members in providing services and developing products for our guests. This program will allow us to better meet

the expectations of guests from different European cultures and to improve our productivity. We have implemented training programs for Cast Members working in the Magic Kingdom and the Hotels, such as communication with children or language programs. Cast Members are also encouraged to

participate in improving our quality standards, and received specific training for that. We have also established a self-improvement program for managers and training courses in co-ordination with ESSEC, a leading European business school. A significant achievement in 1999 was the implementation of the 35-hour workweek in June 1999. The early implementation of the legally required work time reduction, which will create more than 600 jobs, demonstrates our capacity to react quickly and adapt to changing circumstances.



DISNEGLAND.





Since the month of March 1999, Honey, I Shrunk the Audience!, the new family attraction at Disneyland® Paris located in Discoveryland, plunges guests into an unforgettable 3D adventure that affects practically all their senses!

> At the ceremony for the "Inventor of the Year", the famous professor Szalinski gives a demonstration of his shrinking machine. But things don't go according to plan and the audience gets reduced to the size of "Lilliputians".

Produced in six languages, this attraction allows up to 600 guests at a time to experience a flood of visual, sound and



and beyond...

DISNEY STUDIOS AT DISNEYLAND® PARIS

A whole world of shows!

Just a few steps away from the gates of the Magic Kingdom, the new Theme Park,
Disney Studios, will offer a completely new experience, a trip backstage in the world of
cinema, animated films and television.

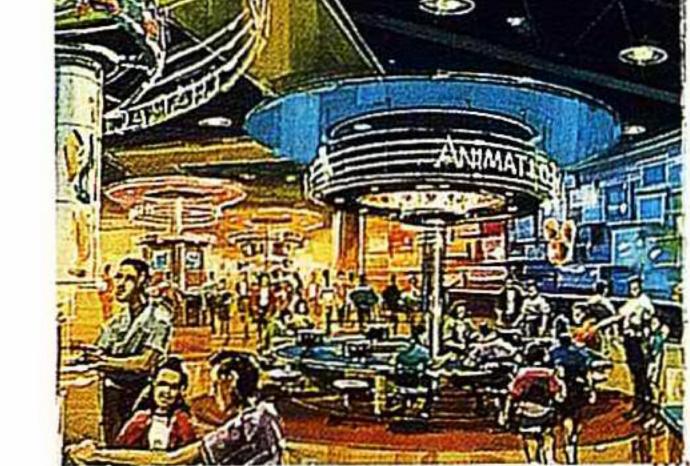
After passing through the monumental gates designed in the style of the grand movie studios of the 1930s, a visit to the Theme Park will begin in a large piazza, with a spectacular fountain and palm trees surrounded by boutiques and the guest services facility.

Camera! The Luture!

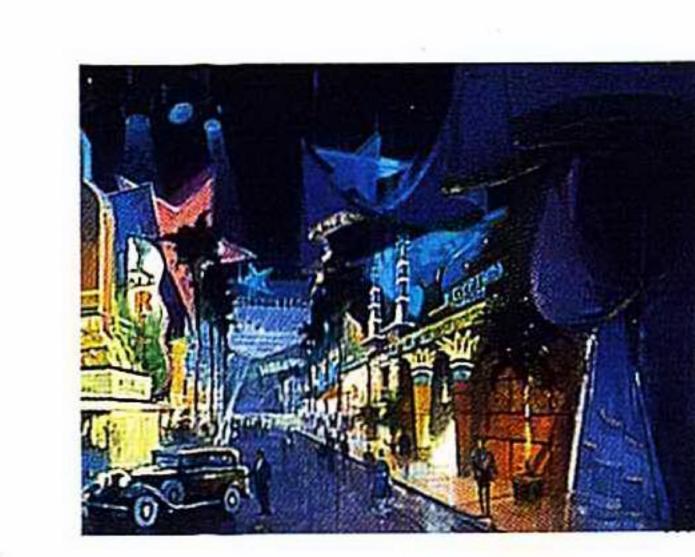


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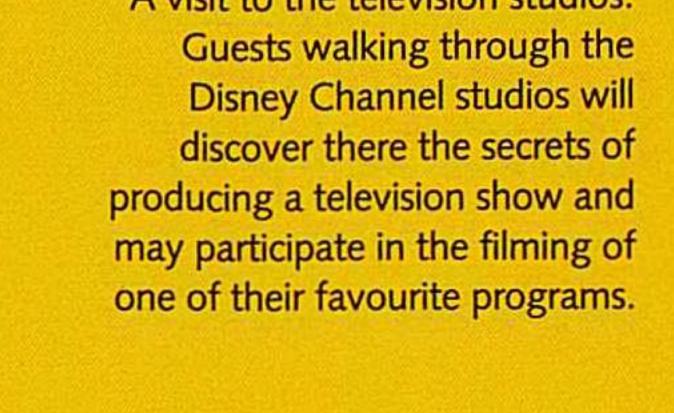
An extremely colourful show, focusing on the interaction between animation and imagination, inspired by the great Disney Classics and their most moving and humorous moments.

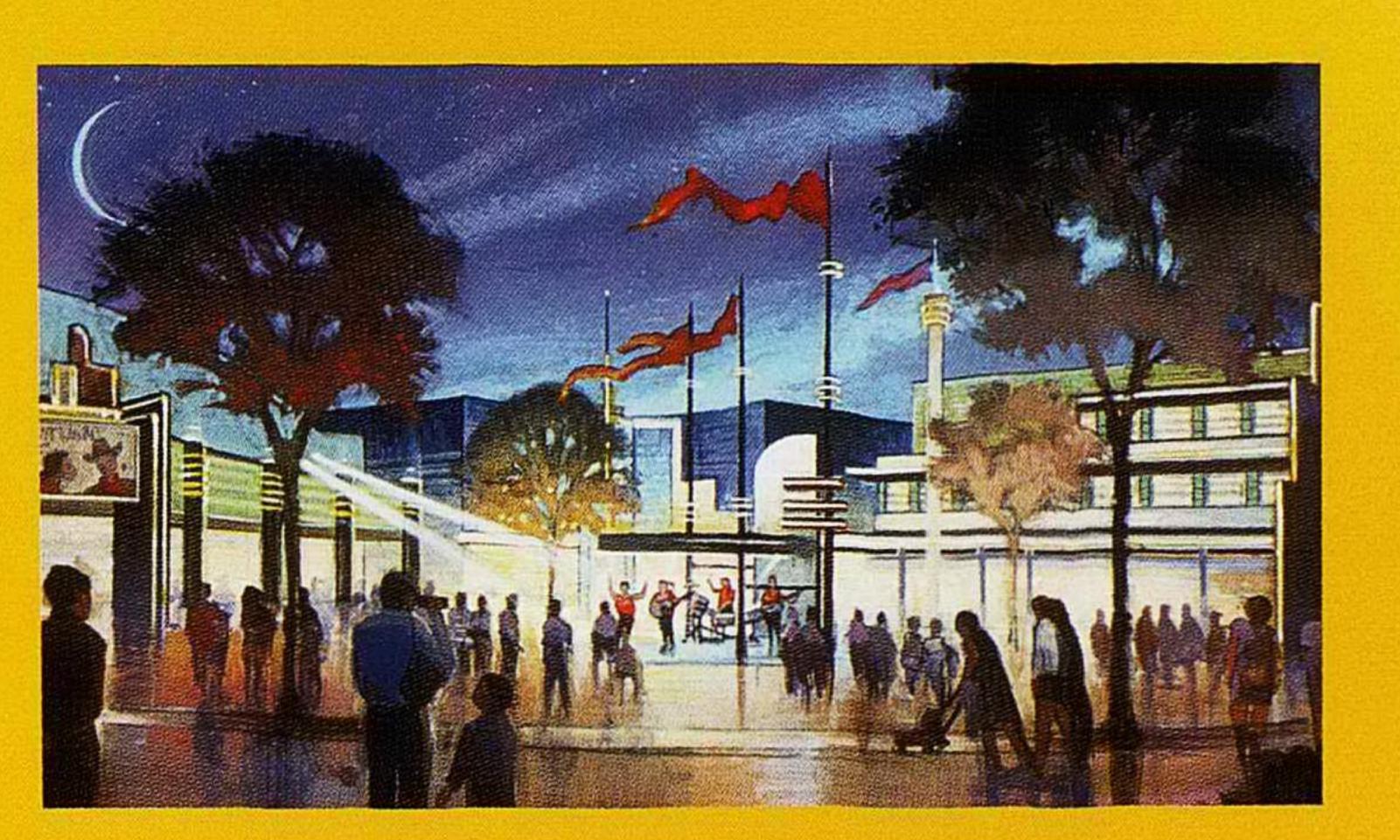


The universe of animated films recreated in a pavilion in which the secrets and the magic of Disney's animation are revealed. Guests will be able to test their talents in this great tradition created by Walt Disney and his animators.



A gigantic studio lined with numerous sets and false front walls in which the guest, as both actor and director, can create special effects and the projections.





This show will be a vibrant tribute to 100 years of French, European and Hollywood cinema. A breathtaking show with artists on-stage, on-screen projections and special effects. A fabulous collage of the greatest moments from movie history with westerns, musical comedies, romance, action movies and suspense.

Here, guests will experience how special effects come to life in action and science fiction films.

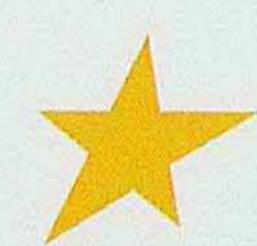
This attraction is the result of a collaboration between the talented Walt Disney Imagineering artists and the famous rock group Aerosmith. A catapult launch, loopings and rock'n'roll make an exceptional cocktail in this musical thrill ride.

The famous stuntman Rémy Julienne and his team will dedicate their talents to this hair raising show... A unique occasion to safely see up close how professional stuntmen accomplish the feats that are the highlight of action movies.

In 2002, the doors of Studios Disney will open!

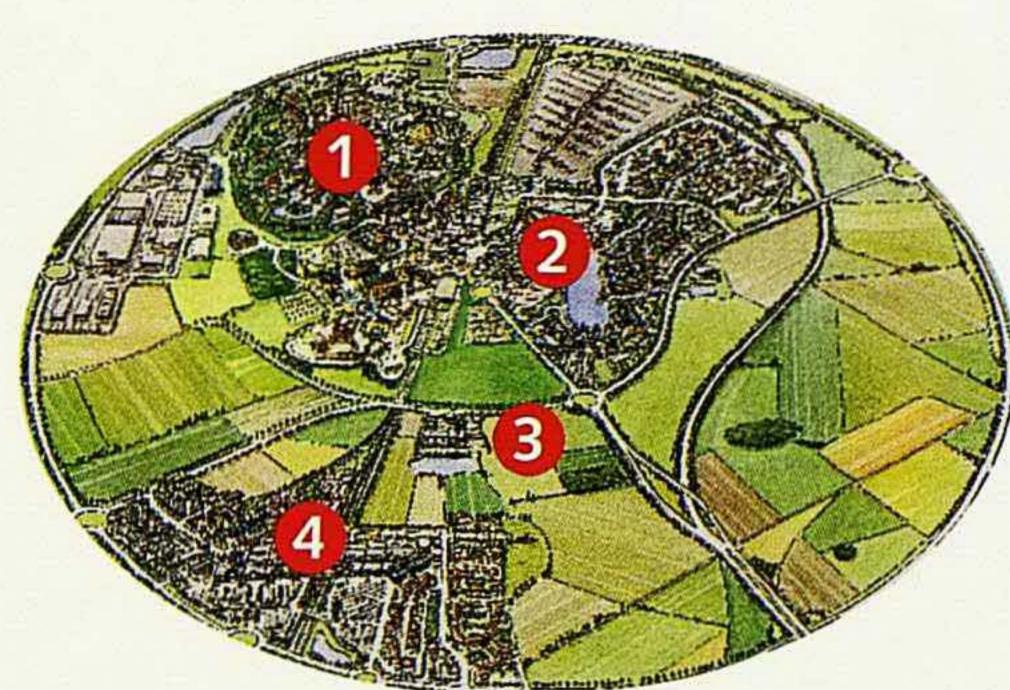
A gigantic studio lined with numerous sets and false front

The Val d'Europe



project becomes a reality

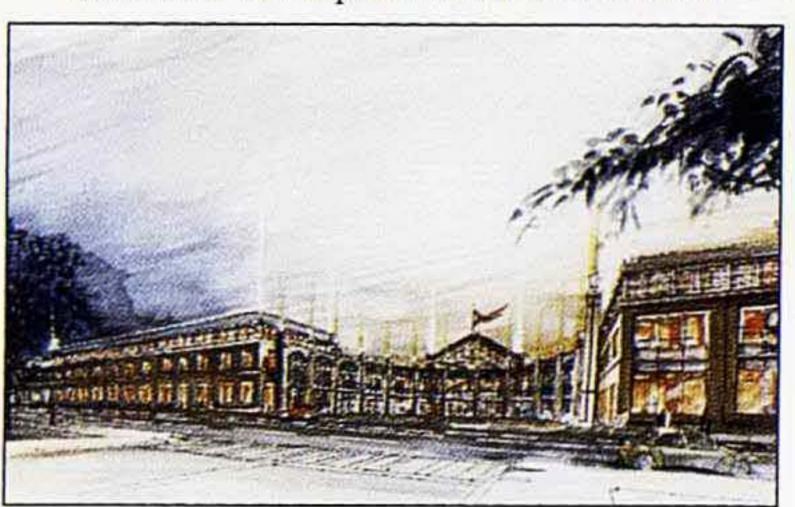




- Magic Kingdom
- International Commercial Centre
- 2 Hotels
- Val d'Europe



Residential Development Kaufman and Broad



International Commercial Centre



Fashion Pavillions

A second development phase began in December 1997, including the launch of the Val d'Europe Urban Centre and the first phase of an International Corporate Park.

The International Shopping Centre, currently being developed, will include more than 90.000 square meters of retail space, including a hypermarket (Auchan), ten medium-sized stores (FNAC, Go Sport, Zara, H & M, Muji, etc), 130 boutiques and 20 restaurants (including Hippopotamus). But the major innovation will be the concept of selling high quality brands at discount prices. Shoppers will find in Val d'Europe a collection of 70 major international brands, in a pedestrian street typical of a small village in the Ile-de-France region. These initial projects provide an indication of our commitment to quality and excellence. These developments complement one another and make this a site of creativity in which leisure, business activities and daily life exist in harmony.

"THE VAL D'EUROPE AT THE HORIZON OF THE YEAR 2005"

The year 2000 will also see the launch of the first phase of the Val d'Europe INTERNATIONAL CORPORATE PARK, which in its first phase will comprise an area of 37 hectares and, over the long term is expected to grow to 160 hectares. Strategically located near the A4 motorway, it will host international companies from many different business sectors, with a large proportion from the service sector and activities linked to new technologies, all in an attractively landscaped environment.



Guest satisfaction

grew 810W

The Magic Kingdom

In 1999, the Disneyland® Paris team was once again committed to improving our service. During the year, 73% of our guests reported being completely or very satisfied. During 1999, our efforts were concentrated on two objectives: reducing guest waiting time for attractions and restaurants, further improving our already high standards of cleanliness and the quality of our guest reception. The guest flow management system, established in November 1998, allowed us to reduce the waiting times, much to our guests' great satisfaction.

Hotels

During 1999, Hotel occupancy was 82.6%, a new record, and an increase of 1.7 points over the prior year. We owe this result both to the efficiency of our yield management (a system that allows us to manage our seven Hotels as a single Resort), and to the development of our Hotel offer. Because of the uniqueness of our offer in Europe, which includes state-of-the-art equipment with the opportunity to relax and the possibility of privatising the Magic Kingdom, we have become one of the European leaders in business tourism. In 1999, the convention business generated 1,200 events, of which 200 included a total or partial privatisation of the Magic Kingdom.

Disney® Village

The year 1999 was full of events at Disney® Village shopping and entertainment centre. Our product offer was strongly improved during 1999 with the opening of two new restaurants (Mc Donald's® and Rainforest Café®), the expansion of the Gaumont Multiplex from seven to fifteen theatres and the launch of Crescend'O, Muriel Hermine's new show which intimately combines the magic of the circus with aquatic ballet. Disney® Village also hosted numerous concerts and festivals such as the Celtic Festival and the Festival Latina.

Rainforest Café®



Food & Beverage

Food & Beverage operations in the Magic Kingdom have improved especially with respect to quality control and cost management. Furthermore, the waiting times at our restaurants have significantly decreased. Food & Beverage operations in the Hotels have also improved, due in particular to new investments: a new bar at the Newport Bay Club® and the reorganisation of the room service function at the Disneyland® Hotel and the banquet catering function at the Hotel New York®.

Boutiques

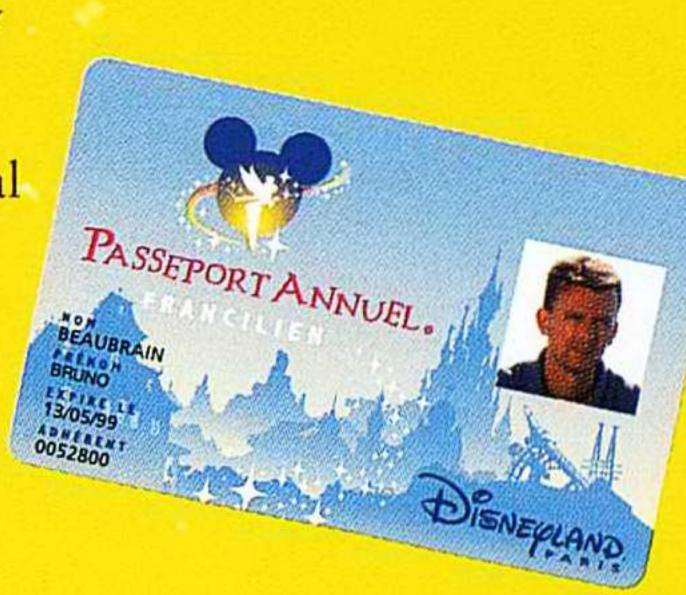
Our product offer has again increased with the opening of two new boutiques, one completely dedicated to Winnie the Pooh, due to this famous little bear's great popularity, and the second, Lilly's, on Main Street, USA, dedicated to housewares and the art of the table. In addition, our first product lines using the theme of the year 2000 are already in strong demand. Our photo souvenir services have also been improved, to the pleasure of our guests.

everywhere!

Marketing and Sales Constant efforts are carried out to

Crescend'O

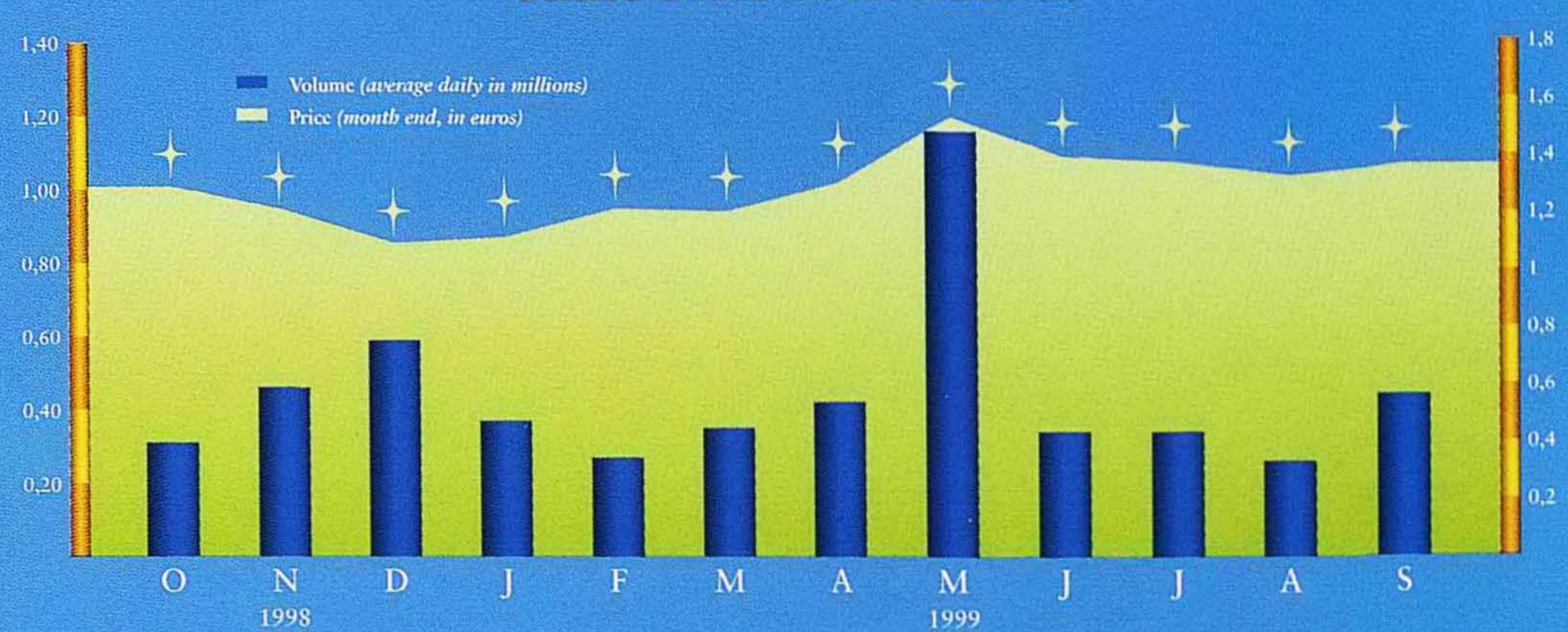
Constant efforts are carried out to attract new guests, as well as confirm the loyalty of our existing ones. Consequently, the sale of Annual Passports continues to grow with 60,000 sold in 1999



The Shareholders Club

Established for individual shareholders, the Euro Disney Shareholders Club has been operating since 1995. It provides members with quarterly information letters on the results of the Group. Through its dedicated telephone lines, members are able to obtain financial information on the Company, or assistance in organising their trip to Disneyland. Paris.

Share Price Performance

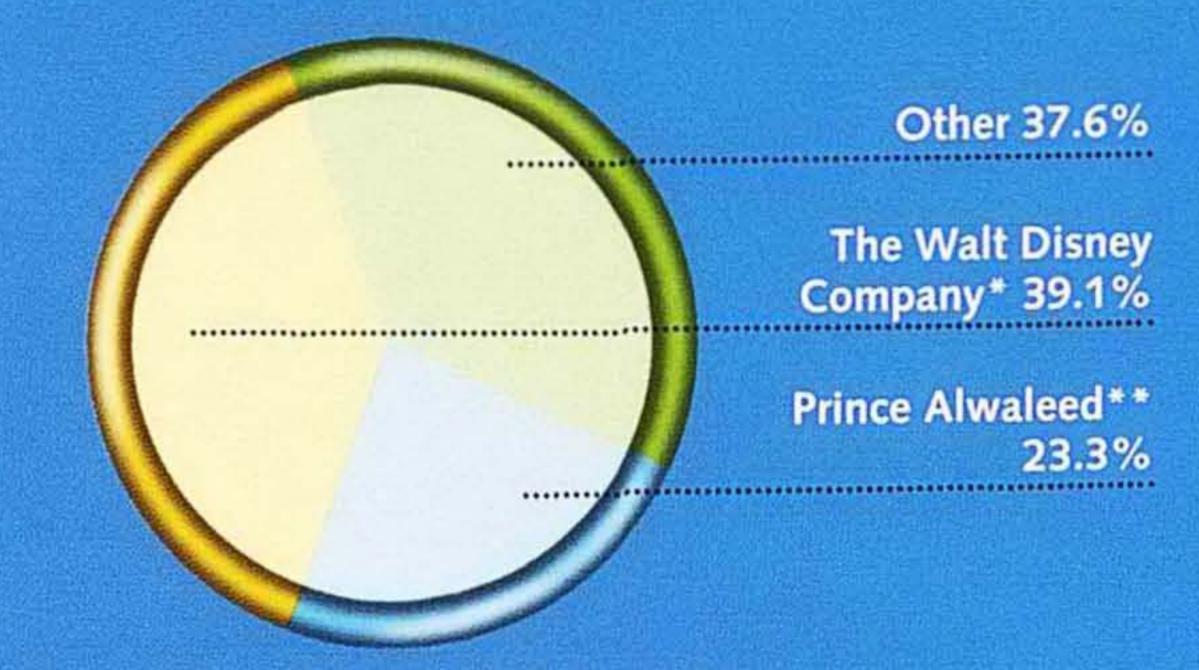


Market Capitalisation

Fiscal Year	1999	1998	1997
Number of shares (in millions)	768	768	767
Market capitalisation (in millions euros)	1,052	960	960
Share price: High (in euros) Low (in euros)	1.60 0.89	1.96	1.75

Shareholder Breakdown

(at September 30, 1999)



* via its wholly-owned subsidiary, EDL Holding Comany
** via KINGDOM 5-KR-21. Ltd, a company whose shares are held by trusts for the benefit of Prince Alwaleed and his family.

Stock Exchange Activity

		Price at September 30, 1999	1999 average daily volume	
Shares	Paris London : local SEAQ International Brussels	1.37 € 0.88 £ 1.37 € 1.38 €	436,028.9 8,131.1 132,236.2 79,280.5	
Convertible	Paris	24.95 €	38,481.6	
Warrant	Paris	0.05 €	92,436.2	

Registration services. For all queries regarding the registration of any of your holdings in Euro Disney S.C.A., please contact: France: Banque Crédit Agricole Indosuez, Service Actionnaires, 92920 Paris La Défense Cedex, Tél.: 33(0)1 41 89 43 24. Belgium: KBC Securities, 14, place Sainte-Gudule, B-1000 Bruxelles.

United Kingdom: Share and warrant: Computershare Services PO Box 82, The Pavilions, Bridgewater Road, Bristol, B \$99 7NH. Convertible Bonds: Natwest Wealth Management, Turnpike House, 123 High Street, Crawley, West Sussex, RH10 1DQ.

Market Capitalisation

Euro Disney has several different investment vehicles. The most common are the shares (Sicovam code:12587), traded in the Paris, Brussels and London stock exchanges. A 6.75% convertible bond, maturing in 2001 (Sicovam code: 8521), issued in 1991, traded in Paris. A warrant (Sicovam code: 51472), issued free of charge to existing shareholders of record as at 14th June 1994, traded in Paris. An unquoted bond redeemable in shares (ORA). An unquoted bond with warrants attached (OBSA).

Corporate Governance

The Euro Disney S.C.A. structure introduces, under French law, a clear distinction between the Management Team, responsible for operating the Company, and the Supervisory Board, responsible for ensuring the good management of the Company. The role of the Supervisory Board is to safeguard the Company's and the shareholders' best interests, and to guarantee the quality of the information communicated to shareholders.

Supervisory Board

Chairman of the Supervisory Board

Mr Antoine Jeancourt-Galignani, Président-directeur général, AGF.

Members of the Supervisory Board

- Sir David Frost, President of David Paradine Ltd
- Mr Philippe Labro, Vice-Président, Directeur général RTL
- Mr Sanford M. Litvack, Senior Executive Vice President and Vice Chairman of the Board of The Walt Disney Company.
- Dr Jens Odewald, Chairman of the Supervisory Board, Bodenverwertungs und -verwaltungs GmbH, Tchibo Holding AG and Eurobike AG.
- Mr Jean Taittinger, Président du Conseil de Surveillance, Société du Louvre ; Président-directeur général, Compagnie Financière Taittinger; Vice-Président, Société des Hôtels Concorde.
- Mr Francis Veber, President, EFVE Films, Escape Films, Escape Films Production Company, Inc.

In response to the recommendations of the 1995 Viénot Report, which recommended the adoption of certain principles of Corporate Governance in France, the members of the Supervisory Board of the Company unanimously agreed, in 1996, to adopt a Supervisory Board Member's Charter. This Charter dictates the fundamental obligations to which all members of the Board should conform. In particular, the text provides for several obligations that go well beyond the demands of the law and the by-laws of the Company. A member of the Board must personally own at least 1,000 shares of the Company, and has a moral obligation to dedicate sufficient time and energy to the position. Each member must put forth his best efforts to attend the Annual General Meeting and the Board Meetings.

Four Supervisory Board Meetings were held in fiscal year 1999. The attendance rate of the members of the Board at the meetings was 75%.

Created at the end of 1997, the Audit Committee held five meetings during fiscal year 1999 and reviewed accounting and reporting issues as well as the internal and external audit processes. The members of the Committee are Mr Antoine Jeancourt-Galignani, Mr Jean Taittinger and Dr Jens Odewald.

Euro Disney S.C.A. and subsidiaries

(in millions)	19	999	1998		
	FF	€	FF	€	
CONDENSED STATEMENT OF INCOME					
Revenues	6,036	920.2	5,890	897.9	
Costs and expenses	(4,743)	(723.1)	(4,732)	(721.4)	
Income before royalties, management fees,					
lease and financial charges	1,293	197.1	1,158	176.5	
Royalties and management fees	(203)	(30.9)	-	_	
Lease and financial charges	(951)	(145.0)	(895)	(136.4)	
Income before exceptional items	139	21.2	263	40.1	
Exceptional income, net	16	2.4	27	4.1	
Net income	155	23.6	290	44.2	
CONDENSED BALANCE SHEET					
A S S E T S					
Intangible and tangible assets	3,329	507.5	3,146	479.6	
Long-term receivables	9,414	1,435.2	9,506	1,449.2	
Inventories	222	33.8	216	32.9	
Accounts receivable and other assets	1,573	239.8	1,422	216.8	
Cash and short-term investments	1,984	302.5	1,752	267.1	
TOTAL ASSETS	16,522	2,518.8	16,042	2,445.6	
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' Equity	7,483	1,140.8	7,328	1,117.1	
Bonds redeemable in shares ("ORAs")	7	1.1	9	1.4	
Borrowings	6,450	983.3	6,417	978.3	
Other liabilities	2,582	393.6	2,288	348.8	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	16,522	2,518.8	16,042	2,445.6	
CONDENSED STATEMENT OF CASH FLOWS					
Cash provided by operations	708	108.0	615	93.8	
Cash used in investing activities	(473)	(72.1)	(214)	(32.6)	
Cash used in financing activities	(3)	(0.5)	(3)	(0.5)	
Change in cash and cash equivalents	232	35.4	398	60.7	
Cash and cash equivalents, beginning of period	1,752	267.1	1,354	206.4	
Cash and cash equivalents, end of period	1,984	302.5	1,752	267.1	

Partners, everyone



























a big thank you

The magic continues

here...